

EXHIBIT D

(City Adopted Resolution No. 2025-006)

**CITY OF CLE ELUM
WASHINGTON
RESOLUTION NO. 2025-006**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF CLE ELUM, WASHINGTON, APPROVING THE FILING
OF A CHAPTER 9 BANKRUPTCY PETITION AND
EMPLOYING STOEL RIVES LLP AS BANKRUPTCY
COUNSEL**

WHEREAS, on November 5, 2024, an arbitration award was granted by Judge Paris K. Kallas in favor of City Heights Holdings, LLC and against the City in the total amount of \$22,230,175.00 (the “**Award**”); and

WHEREAS, on December 9, 2024, a judgment in the combined amount of \$22,671,525.11 based on the award was entered in King County Superior Court (the “**Judgment**”); and

WHEREAS, at meetings held by the City Council (the “**Council**”) of the City of Cle Elum, Washington (the “**City**”), the Council has discussed and analyzed the financial condition of the City and has had the opportunity to ask questions of management and the legal advisors of the City regarding the liabilities and liquidity of the City, the City’s available strategic alternatives, and the impact of the foregoing on the City’s ongoing business; and

WHEREAS, on December 19, 2024, the Council held a special meeting and considered filing for bankruptcy. The Council tabled such discussion so that staff and counsel could continue settlement discussions with City Heights; and

WHEREAS, on January 14, 2025, the City Council voted to pay City Heights a sum of money towards payment of the Judgment and relieve City Heights from a contractual duty to pay \$400,000.00 to the City conditioned upon City Heights’ agreement to mediate a payment plan; and

WHEREAS, based on correspondence and communications with City Heights and its counsel, it does not appear that City Heights is willing to mediate without substantial, pre-mediation payment; and

WHEREAS, due to the Judgment, the City is unable to pay its debts as they become due and is therefore insolvent; and

WHEREAS, the Council has determined it is in the best interests of the City, and its creditors, employees, and other interested parties, it avail itself of the protections afforded by chapter 9 of the United States Bankruptcy Code, 11 U.S.C. § 101 et seq., (the “**Bankruptcy Code**”) by filing a voluntary petition thereunder in the United States Bankruptcy Court for the Eastern District of Washington and commencing the Chapter 9 Case (as defined below); and

Resolution of the City of Cle Elum

WHEREAS, in furtherance of the Chapter 9 Case and the Chapter 9 Filings, the Council desires to approve the following resolutions;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CLE ELUM, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. With respect to the City, the Council, after consultation with the City's mayor, treasurer, and the legal advisors of the City, has determined that it is desirable and in the best interests of the City, its creditors, and other parties in interest that a voluntary petition be filed by the City in the United States Bankruptcy Court for the Eastern District of Washington ("Bankruptcy Court") to seek relief under the provisions of chapter 9 of the Bankruptcy Code.

Section 2. Matthew Lundh, Mayor of the City ("**Authorized Person**"), is authorized and directed to execute, deliver and file with the Bankruptcy Court, and perform, in the name and on behalf of the City, and under its seal or otherwise, all plans, petitions, schedules, statements, motions, lists, applications, pleadings, papers, affidavits, declarations, orders, and any other documents (collectively, the "**Chapter 9 Filings**") (with such changes therein and additions thereto as the Authorized Person may deem necessary, appropriate or advisable, the execution and delivery of any of the Chapter 9 Filings by the Authorized Person with any changes thereto to be conclusive evidence that the Authorized Person deemed such changes to meet such standard).

Section 3. The Authorized Person is authorized, empowered, and directed, with full power of delegation, in the name and on behalf of the City, to take and perform any and all further acts and deeds that the Authorized Person, in consultation with the City's legal advisors, deems necessary, appropriate, or desirable in connection with the City's chapter 9 case (the "**Chapter 9 Case**") or the Chapter 9 Filings, including, without limitation, (i) the payment of fees, expenses and taxes the Authorized Person deems necessary, appropriate, or desirable, and (ii) negotiating, executing, delivering, performing and filing any and all additional documents, schedules, statements, lists, papers, agreements, certificates, or instruments (or any amendments or modifications thereto) in connection with, or in furtherance of, such Chapter 9 Case with a view to the successful prosecution of such Chapter 9 Case (such acts to be conclusive evidence that the Authorized Person deemed the same to meet such standard), and that all members of the City have received sufficient notice of the actions and transactions related to the matters by the foregoing resolutions, as may be required by the City's charter, or hereby waive any right to have received such notice.

Section 4. The Authorized Person is authorized and directed to employ the law firm of Stoel Rives LLP and its attorneys to represent the City in accordance with the terms and conditions of the engagement between the City and Stoel Rives LLP, and Stoel Rives LLP is hereby retained as bankruptcy counsel for the City in any Chapter 9 Case as described above.

Section 5. The Authorized Person is authorized and directed to employ the firm of GlassRatner Advisory & Capital Group, LLC dba B. Riley Advisory Services ("B. Riley") as financial advisor for the City in accordance with the terms and conditions of the engagement between the City and B. Riley and B. Riley is hereby retained as financial advisor for the City in any Chapter 9 Case as described above.

Section 6. The Authorized Person is authorized and directed to employ the firm of Stretto, Inc. ("Stretto") as claims and noticing agent for the City in accordance with the terms and conditions of the engagement between the City and Stretto, and Stretto is hereby retained as a claims and noticing agent for the City in any Chapter 9 Case as described above.

Section 7. The Authorized Person is authorized, empowered, and directed, with full power of delegation, in the name and on behalf of the City, to negotiate, execute, deliver, file and perform any agreement, document or certificate and to take and perform any and all further acts and deeds (including, without limitation, (i) the payment of any consideration and (ii) the payment of fees, expenses and taxes) that the Authorized Person deems necessary, proper, or desirable in connection with the City's Chapter 9 Case, including, without limitation, negotiating, executing, delivering and performing any and all documents, agreements, certificates or instruments (or any amendments or modifications thereto) in connection with the engagement of professionals contemplated by these resolutions, with a view to the successful prosecution of the Chapter 9 Case.

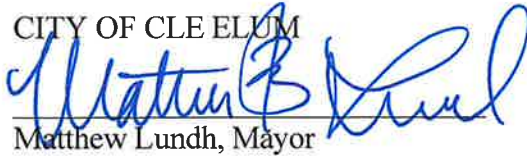
Section 8. Any documents heretofore delivered, and any actions heretofore taken by any officer or authorized representatives of City in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed to the extent they would be approved by this resolution if taken on or after the date hereof.

Section 9. The Authorized Person is authorized and empowered to certify that this Resolution has been duly passed to such person or persons as he deems entitled thereto, and to attest or witness the execution of the documents authorized by the foregoing resolutions, and to sign such documents as may be necessary or appropriate.

A signature to this consent delivered electronically via facsimile, .pdf, .jpeg, .TIF, .TIFF or similar electronic format shall be deemed an original signature and fully effective as such for all purposes.

[Signature Page to Immediately Follow]

PASSED BY THE CLE ELUM CITY COUNCIL AT A SPECIAL MEETING THEREOF
ON THE 28th DAY OF January, 2025.

CITY OF CLE ELUM

Matthew Lundh, Mayor

ATTEST/AUTHENTICATED:


Debbie Lee, City Clerk

Filed with the City Clerk: 1-28-25
Passed by the City Council: 1-28-25
Resolution No.: 2025-006
Date Posted: 1-28-25

[Signature Page of Resolution of the City of Cle Elum]